

America's FUTURE

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AMERICAN STRIPEASE

A Washington wiseacre, when told that we were in for more summierty, remarked: 'Whaddaya mean, summierty? It's an American striptease in installments. A Soviet boss has been up there on the summit ever since the last years of the war. American presidents crawl up the mountain to the summit and then crawl down again - minus coat, shirt, shoes, socks. I'm just waiting for the next one to lose his pants.'

That's a pretty crude way of putting it, but there is

much truth in the remark. There have been six of these meetings with Soviet bosses. The summit confab this month between Khrushchev and President Kennedy will be the seventh in the series. There were Teheran, Yalta, Potsdam, Geneva, Camp David, Paris - and now there will be Vienna. What did they produce for America? Nothing but a growing Red menace. But look what they produced for Communist Russia. Before the era of summierty began, the Red dictatorship of the Soviet

Union held under its control 193 million people. Today it controls an additional 700 million people in 15 formerly independent nations.

Almost as bad as the human and territorial gains for Red Russia from the earlier summits have been the propaganda gains from the later ones. Every time a free Western leader sits down with a Red butcher, it is another dash of cold water on the hopes of the oppressed peoples living under communist rule. This is especially true in the case of an American leader because America has always been the guiding star of liberty to peoples everywhere. Mr. Kennedy himself is supposed to have sought the coming meeting, despite his justified criticism of summity during

the campaign. But Khrushchev certainly needed no coaxing. Once again he faces growing troubles inside his Red empire. Communist China, as a result of Red farm policies, is in the midst of a terrible famine in which it is predicted millions upon millions of people will die. The big May Day celebration in Russia was spoiled by lack of meat and even vodka. Stories keep leaking out of bad conditions and unrest in the captive nations. But - prodded by our so-called ally Great Britain which has both eyes glued to increased Russian trade -once more an American President will plaster Khrushchev with some badly-needed respectability among his own slaves by going to the summit with him. Will our leaders never learn?

MYSTERY REPORT

Washington has a mystery on its hands. It might be called The Mystery of the Lost, or Hidden, Report. Thanks to several enterprising newspapermen, the contents of the report are now pretty well-known. They have a major significance for every citizen, to which we will come later. But the report itself seems to have mysteriously

disappeared. Here's the story. The report is 10 years old. It was written in 1951 by a group of American economists. It was marked 'secret' by the State Department. Why this was done only the bureaucratic mind can explain, because the subject of the report was a plan for the rebuilding and economic growth of West Germany. Recently, the State

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Department finally declassified the report — that is, removed the 'secret' label from it. Lawrence Fertig, columnist for the New York *World-Telegram*, had been waiting a long time to get a look at this report. He had first heard about it from Ludwig Erhard, the Economic Minister of West Germany. So Mr. Fertig, once the report was declassified, went on the hunt for it. Nowhere in Washington could he find a copy — not even in the Library of Congress. At first the State Department said they had so many reports that they could not find this one — which runs to over 400 pages. Could we ask what all those file clerks

in the State Department are doing to earn their pay? Then Mr. Fertig was told that the only copy in existence was in the State Department's library and that a responsible person could get a look at it by going through varied and complicated channels. Roger Stuart, a reporter for *United Press-International*, had no better luck.

But it isn't easy, even in Washington, to hide a 400-page document once the secrecy label is removed. Somehow or other the gist of the report, if not the report itself, got out. And both its recommendations and its authorship are startling, revealing, and of special importance to all Americans today. First, a little background.

After World War II ended with a divided Germany — the eastern part occupied by Soviet Russia, and the western part by the United States, Britain and France — it became necessary to reestablish defeated and destroyed West Germany as a going concern. Primarily, this was a job for the West Germans and their new government, but they needed help and wise guidance from the chief occupying power, the United States. A few years after the war, it

gradually dawned on American officials that a stable and prosperous West Germany was absolutely essential to the free world as a bulwark in Europe against growing communist power to the East. In any case, the American government sent a commission of economists to West Germany.

THE PLANNED SOCIETY

The new West German government was told by these United States economists to stop worrying about inflation, that the government was much too concerned about keeping prices stable, and that it was too timid about creating new credit. It was told to go in for an easy money policy - that investment would be hurt if it encouraged thrift among the people by a high rate of interest. It was told that it was a mistake to encourage industry, with tax concessions, to build new plants and expand old ones. Instead, the report said the West German government should impose a tax on all industries to build a so-called investment fund which the government would then dole out as, when and how it saw fit.

This American commission of economists also declared that

They were to investigate economic and fiscal conditions there and make recommendations to the West German government on its future policy. These recommendations were contained in this famous and mysterious report to which we have referred. They were, briefly, as follows:

the big bottleneck holding back expansion of German industry was that there wasn't enough coal. Their solution was a big government program to increase coal production.

Finally, the report sneered at German hopes for reviving a free capital market - called such an idea 'a nostalgic hope' and said that any modern nation that put any faith in a private capital market - which is the very heart of the free-enterprise system - was doomed to disappointment. In the report's words: 'The capital market plays no such role in any modern country and there is no prospect that it will.'

If all this sounds like a blueprint for the planned society - or a socialist or collectivist system, whatever you want to call it - that is exactly what it was. In plain

English, these economists were telling the West German government that its only salvation lay in government borrowing, spending and taxing - without limit and with plenty of inflation and debt, and with the government taking over the function of deciding which industries should be built and expanded and which should not.

Next week we will tell you

how and why the West German government refused to heed these strange American recommendations and what happened in West Germany as a result. We will also tell you about some of the American professors involved in this report and what they have in mind for America. One of them is today chairman of President Kennedy's Council of Economic Advisers.

Foregoing items covered in Mutual network broadcast 5/28/61

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Book Review RED PARADISE AS IS

ONLY IN RUSSIA by Howard Norton, 240 pages, Van Nostrand, Princeton, N.J., \$4.95.

This is one of the most interesting books about Soviet Russia, for the average American reader, which we have seen in a long time. The author was chief of the Moscow bureau of the Baltimore Sun for three and a half years. During this period he, his wife, and four children lived as nearly as they could within the Soviet economy, without diplomatic privilege or luxuries. Most of their experience was in and around

Moscow, but Moscow is the hub of the Red world and probably signifies the operation of the communist system at its best. Mr. Norton's reports are therefore singularly revealing.

The author is essentially a reporter; he analyzes and interprets only where necessary. You must look elsewhere for analyses of Leninist-Marxist philosophy, of the basic tenets of the communist conspiracy, of the twisted yet consistent foreign policy of the Red rulers. But if you want to know about telephones,

automobiles, marriages, funerals, doctors, clothes, schools, rackets, housing, ice cream, manners, false teeth and a hundred and one other things that go to make up daily life under a communist system, ONLY IN RUSSIA provides details in full and lively abundance. In fact, these intriguing details are almost the only thing that is abundant in the paradise of the proletariat. Or perhaps we should say that under the complete government planning - even fun is planned - of the communist state, where abundance does appear the sheer inefficiency of central planning makes it difficult to utilize. For instance, the city of Moscow (five million souls) has two million telephones - but no phone book. The Red city poppas finally printed one last year, but it was six years in the making and most of the numbers had been changed. Also, they printed only 15,000 copies and if you wanted one - full of wrong numbers - you had to pay 13 rubles for it.

Moscow does have an abundance of snow. More than 7,000 women do a magnificent job of keeping its streets clean, but the hundreds of acres of grass in the city's

parks are cut with sickle and scythe. Apparently the only lawnmower in Moscow is owned by the American Embassy. Russian housing, repairs thereto (nails and screws non-existent; four months to secure six boards); the gimmicks and rackets it has spawned; how to buy or not buy - mostly not - an automobile; how the Socialist State doctors you with 'doctors' without degrees; the perils of buying unrefrigerated meat (Moscow summers are warm): take along your own bag or carry it dripping as is at \$3.00 a pound for 'what passes for beefsteak;' ability to buy, if you get to the store early enough, a well-made nylon print dress - for the Russian equivalent of \$75 (similar dress in U.S.: \$10.95).

These are a very small sampling of the innumerable facets of Soviet life which Mr. Norton reports with clarity, zest and humor. The humor is absolutely essential in order to temper the frustration and irritation which is an integral part of the Planned Society, as even certain Soviet citizens have found out. Mr. Norton tells a hilarious story about the Moslems in the Soviet State of Azerbaijan. Under Soviet

law, the Moslems are not allowed to have more than one wife. The Soviet planners also encourage large families - pay a bounty for them in fact and decorate 'Mother Heroines.' So the Azerbaijanians went right on, privately and quietly, collecting harems, producing children, and then registering them all to one legal wife. The Kremlin awarded 195 'Mother Hero-

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ines of the Soviet Union' (mothers with 10 or more children) plus the accompanying subsidies, in Azerbaijan before it dawned on the Moscow planners that Azerbaijan, with three million population had the same number of 'Mother Heroines' as the Ukraine with 40 million population.

A thoroughly enjoyable book about a thoroughly unenjoyable way of life. - Rosalie Gordon

SMOKESCREEN

"If you can believe in the co-existence of muddy and clear water in one bowl, you will have no trouble in believing in the co-existence of communist and non-communist countries in one world. To the communists, co-existence is just a smoke-screen to be used when they are not quite strong enough to liquidate their enemies. If they honestly believed in this doctrine, why would they put up an iron curtain?...But even an iron curtain cannot be effective indefinitely, so they must try to wipe out the non-communist world if they want to keep from disintegrating themselves. It is amazing how some people

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still believe in co-existence when the communists themselves have so often boasted that the conquest of the free world by them is inevitable." - *a disillusioned liberal in the book SECRET DIARY FROM RED CHINA*

EASING THE PRESSURE

"If we allow ourselves to pump aid to puppet governments under Red control, we are simply easing the economic pressure on Moscow at the expense of American taxpayers."

- Senator Styles Bridges

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